Program Development

Current Environment Assessment

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Note: This process currently is not dependent on any significant system support; therefore, no system interfaces or technical flows are documented.

Functions

The Program Development (formerly Policy and Analysis) group performs the following functions (SFA and channel levels):

- Writes regulations through regulatory negotiations process (SFA level)
- Responds to formal and informal programmatic inquiries by researching and interpreting regulatory details for students, schools, financial partners (lenders, guaranty agencies, servicers), congresspersons, internal SFA staff, and other public audiences
- Disseminates information to the regional staff and other customers via "Dear Partner/Colleague" letters, etc. as required
- Researches and responds to formal and informal inquiries from guaranty agencies, lenders, congressional offices, and regional SFA staff

The FPC Program Development staff may consult the SFA staff in researching inquiries when the appropriate resource is not readily available. However, their primary responsibilities are to:

- Support the Regional Specialists with answers to their programmatic inquiries during their reviews
- Provide customers with information they need to remain compliant with the regulatory mandates of the Title IV program

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High level Process Flows and Requirements

The purpose of this section is to provide an overall picture of the processes that support the Program Development function within SFA and FPC and includes the high level process flows and requirements.

The process flows represent a high level view of the individual tasks that support Program Development responsibilities both at the SFA and FPC levels. They demonstrate the general flow and sequence of each process activity.

The high level requirements describe the main functions of each process step and business rules that must be followed.

High Level Process Flow - SFA Program Development
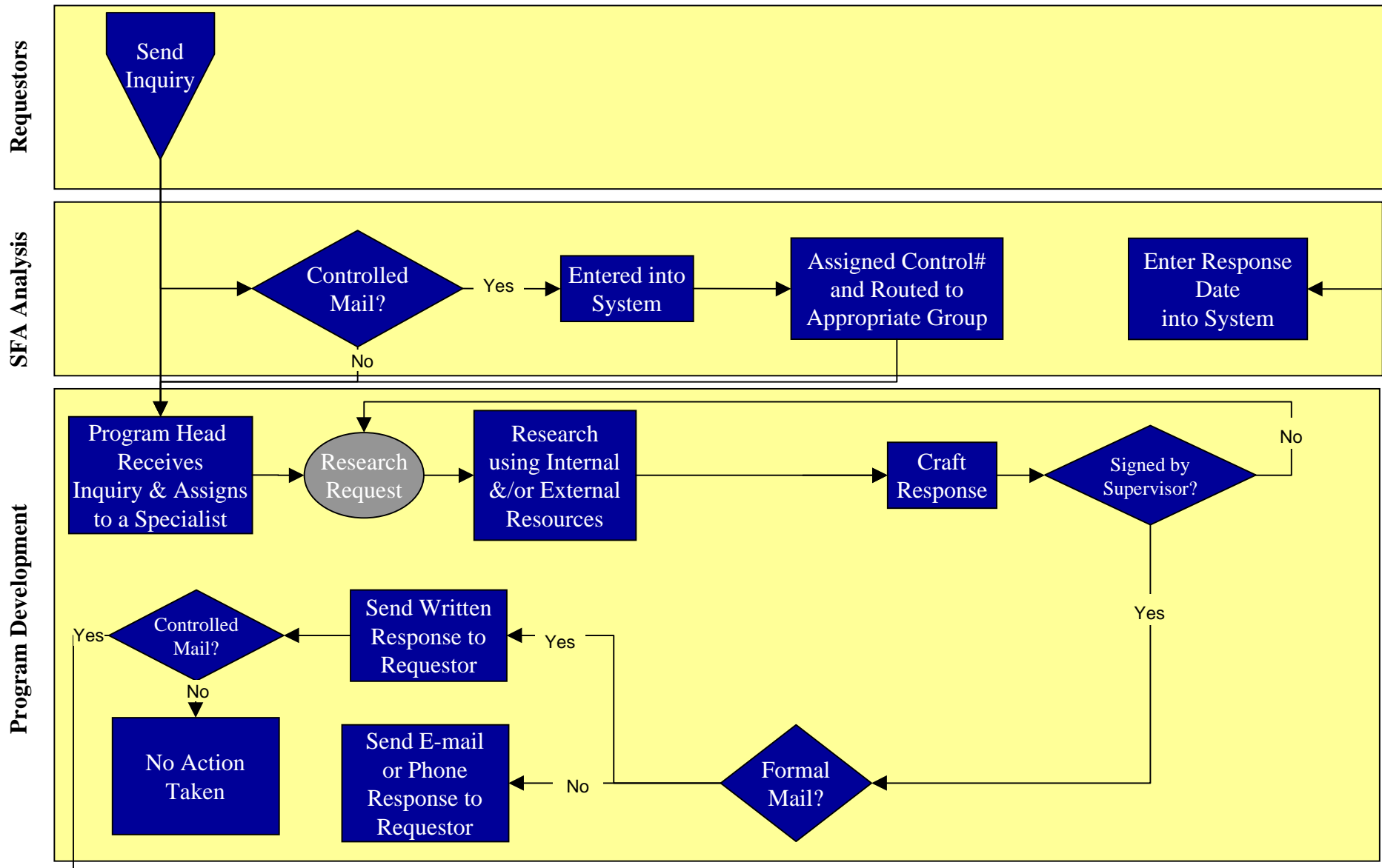
Requestors

Send Inquiry

SFA Analysis

Controlled Mail? — Yes → Entered into System → Assigned Control# and Routed to Appropriate Group

Enter Response Date into System

No

Program Development

Program Head Receives Inquiry & Assigns to a Specialist → Research Request → Research using Internal &/or External Resources → Craft Response → Signed by Supervisor?

No

Yes

Controlled Mail? ← Send Written Response to Requestor ← Yes

Yes

No

No Action Taken

Send E-mail or Phone Response to Requestor ← No ← Formal Mail?

High Level Process Flow - FPC Program Development

Requestors

Send Inquiry

SFA Analysis

Controlled Mail?

Yes → Entered into System → Assigned Control# and Routed to Appropriate Group

No

Response Date Entered into System

Program Development

Research Request → Research using Internal Resources → Response Found? → Yes → Craft Response → Signed by Katrina or Barry → No

No

Confer with SFA Program Development Group → Research / Resolve

Controlled Mail? ← Send Written Response to Requestor ← Yes

Yes

No

No Action Taken

Send E-mail or Phone Response to Requestor ← No ← Formal Mail? ← Yes

High Level Requirements

Requestors

- Mail, e-mail, fax, or phone in inquiry:
  - Informal Mail = Ad-hoc e-mailed and phone requests
  - Formal Mail = Requests that are written and formally submitted
  - Controlled Mail = Formal mail that is tracked and must be responded to within 10 business days
- Inquiries submitted randomly to both SFA and FPC Program Development staff. Inquiries may come from:
  - Regional Specialists
  - G.A.s, lenders, students, schools, congressional offices, other VIPs
 - Internal SFA staff in other offices

Analysis

- Assign number to controlled mail inquiry
- Enter in tracking system
- Route inquiry to appropriate SFA group
- Perform tracking function
- Enter response date in tracking system

Program Development

- If the inquiry has potential to affect other parties, the research may involve meeting with external stakeholders
- By the time controlled mail reaches this group responses must be developed with 4-5 business days
- Controlled mail usually involves inquiries from congressional offices and other high-profile VIPs which must be handled in a timely manner on a case-by-case basis
- All responses are delivered by the same medium in which they were received (e.g., e-mail, phone, mail).
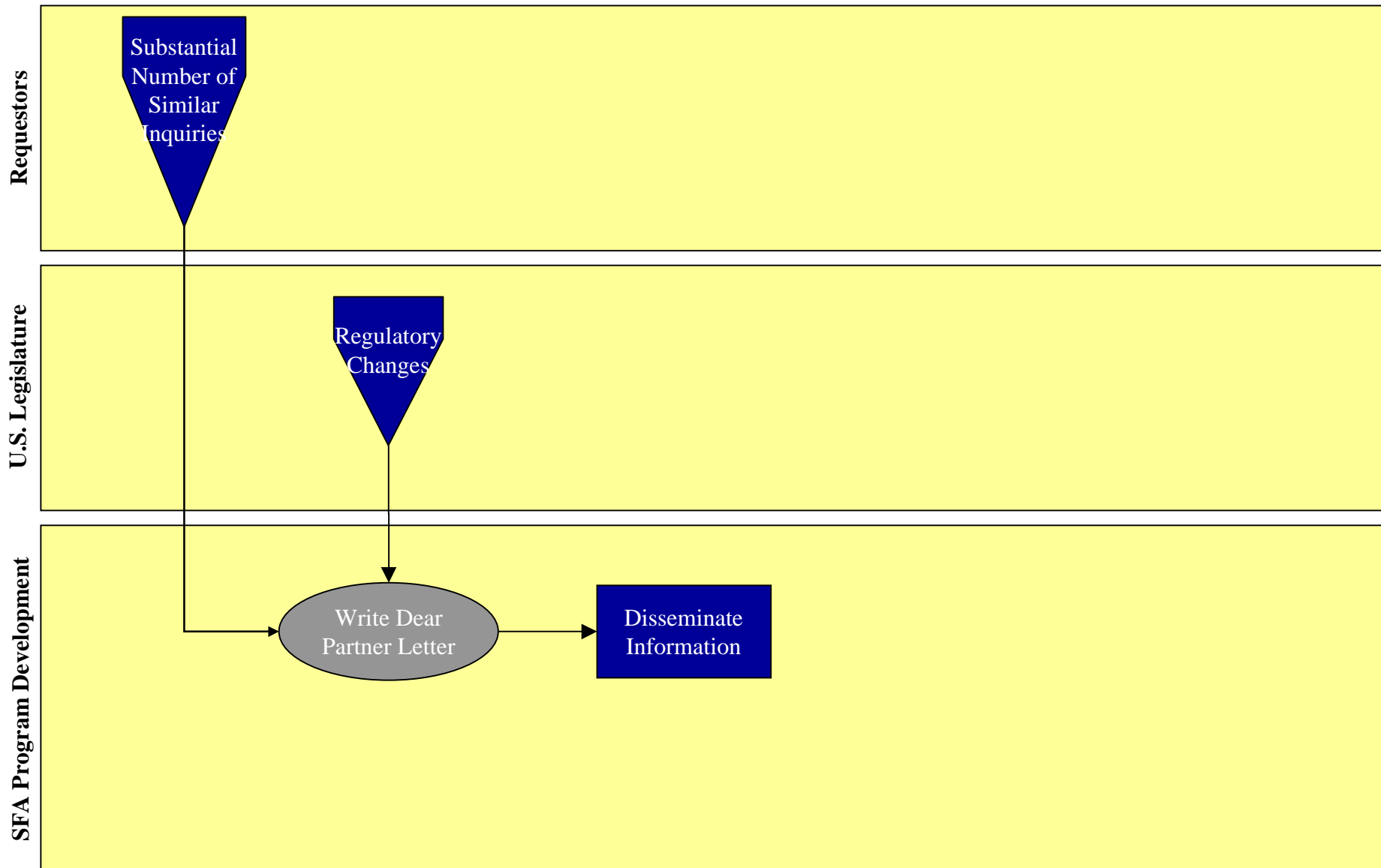
High Level Requirements

Requestors

- When a substantial number of questions/inquiries on the same subject is received by the SFA Program Development group, the group will write "Dear Partner" letter(s) and send to all affected parties.

- There is no scientific manner in which past inquiries are tracked; therefore, SFA Program Development staff will usually discuss the dissemination of "Dear Partner" letters when a noticeable amount of inquiries on a similar subject are received.

US Legislature

- Whenever amendments are made to existing Title IV Legislation, there may be regulatory implications which need to be communicated to the public. This will usually trigger the development of a "Dear Partner" letter by the SFA Program Development group.

SFA Program Development

- Program Development staff write "Dear Partner" letters targeted to specific audience groups (e.g., all lenders, all servicers, all Regional Specialists, all auditors, etc.) who may be affected by the issue being discussed in the letter.

- Letters are disseminated to all affected stakeholders.

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Process Metrics

This purpose of this section is to establish metrics that will provide a basis for comparison between pre-reengineering and post-reengineering processes.

These metrics are subject to change as the reengineering team identifies new metrics and details upon further analysis of the Program Development processes.

Process Metrics

Key Inquiry Volumes and Costs

Metric	Within FPC	Within SFA
Average # of Inquiries/Week • **Quick answer** • **Extended answer**	10 5 5	100 50 50
Processing Time/Response(1) • **Quick answer**(2) • **Extended answer**(3)	.65 hrs 4 hrs	.65 hrs 4 hrs
Key Personnel Costs/Week(4)	$ 825	$8,200

(1) *Processing times determined using percentage rate distribution method - details included on pages V-15 and V-16.*

(2) *Includes research and response time (0 - 2 hour range)*

(3) *Includes research, meeting, and response time (actual hands-on time not including meeting wait period which may extend response time up to additional 1 to 2 weeks)(3 - 8 hour range)*

(4) *Key personnel costs are calculated with assumed hourly compensation of $35.58 per hour (Within FPC - one person performing function; within SFA - 5 FTEs performing function)*

Process Metrics

Percentage Rate Distribution of Time Spent Researching Quick Responses

Metric	0.08 hr. Responses	0.5 hr. Responses	1 hr. Responses	1.5 hr. Responses	2 hr. Responses	TOTALS
Percentage of Occurrences (per Week)	30%	30%	30%	5%	5%	100%
Number of Occurrences (per week)[1]	15	15	15	2.5	2.5	50
Key Personnel Hrs./Week	1.25	7.5	15	3.75	5	32.5 hrs.

Average Time Spent per Quick Response = (32.5 hrs. / 50 quick responses) = 0.65 hrs./quick response

[1]   *Assumes that 50 quick responses are processed per week. Number calculated by multiplying the percentage of occurrences by 50.*

Process Metrics

**Percentage Rate Distribution
of Time Spent Researching Extended Responses**

Metric	3 hr. Responses	4 hr. Responses	5 hr. Responses	6 hr. Responses	7 hr. Responses	8 hr. Responses	TOTALS
Percentage of Occurrences (per Week)	40%	40%	10%	3.75%	3.75%	2.5%	100%
Number of Occurrences (per week)(1)	20	20	5	1.875	1.875	1.25	50
Key Personnel Hrs./Week	60	80	25	11.25	13.125	12.5	199.38 hrs.

Average Time Spent per Extended Response = (199.38 hrs. / 50 quick responses) = 4 hrs./long response

(1)   *Assumes that 50 extended responses are processed per week. Number calculated by multiplying the percentage of occurrences by 50.*

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Comparative Assessment

Objectives

This section provides a summary comparison of best practices to current Financial Partners Channel practices and then identifies reengineering opportunities for improvements. The ranking provided indicates the degree to which current FPC practices are consistent with best practices.

- ● = Current FPC practices are consistent with the best practice standard with opportunities for enhancements to fully utilize the capabilities
- ◑ = Current FPC practices partially meet the best practice standard with opportunities for improvement in the area
- ○ = Current FPC practices are not consistent with best practice standard with major opportunities for improvement in the area

Summary

The function of program development is best served as a coordinated effort at the enterprise level to:

- – Increase the consistency of knowledge management and information dissemination across the enterprise
- – Improve financial partner relations by providing consistent information and requirements across functions and over time

Comparative Assessment

Best Practices	Current FPC Practices	Ranking	Opportunity
Knowledge management should focus on critical issues of organizational adaptation and competence, combining data and information processing with learning and open dialog.	Current program development functions focus on responding to inquiries rather than directing the provision of knowledge to internal and external partners.	◑	Establish an overall knowledge management plan at the enterprise level to provide consistent information in a standard format.
Customer service systems should support and enable formal and informal networks of internal and external parties based on shared concerns and interests.	Currently, inquiries are not tracked for trend analysis and decision making regarding communication (e.g., Dear Collegue letters).	○	Track inquiries by source, topic and volume to indicate trends for required information dissemination.

Key:
- ● *Current FPC practices correspond with best practices*
- ◒ *Current FPC practices partially follow best practices*
- ○ *Current FPC practices do not correspond with best practices*

Comparative Assessment

Best Practices	Current FPC Practices	Ranking	Opportunity
Organizational information /data bases should be accessible to organizational members who are responsible for the actions.	Dear Colleague and Partner letters and Action Letters are currently published on an ad hoc basis. These are sent directly to interested parties and published on a web site.	◒	Increase enterprise level development, dissemination and coordination of information to lenders, guaranty agencies and other financial partners, e.g.: -Link ED web sites -Integrated database to record and track queries and problems by type, source, and resolution.
Customer service should provide fast, accurate and consistent problem resolution across customers and over time.	Currently, a lender or guaranty agency could contact multiple departments prior to obtaining the answer to a question.	○	Centralize access to specialists regarding specific inquiries and ability to reach all specialists within the organization.

Key: ● *Current FPC practices correspond with best practices*
⊖ *Current FPC practices partially follow best practices*
○ *Current FPC practices do not correspond with best practices*